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FOREIGN SERVICE DESPATCH

285
DESP. NO.

773.5-MSP/4-1455

FROM : AMEMBASSY, TRIPOLI

TO : THE DEPARTMENT OF STATE, WASHINGTON.

April 14, 1955
DATE

REF : Deptel 369, 3/25/55; Embtel 455, 4/7/55

For Dept. Use Only	ACTION TO	DEPT.	INFO	OTHER
	NEA-4 FOA-10 4/28	BMR-2, L-2, E-4, P-1, U/OP-4, S/MSA-1		CIA-5, USIA-10, OCB-1, [redacted], NSC-4

SUBJECT: Libyan-American Reconstruction Commission Procedures

773.5-MSP/

JOINT EMBASSY-USOM/L MESSAGE

nea mn L E P a/or ai ocb usia via
and R-M-H FOA

The Embassy transmits as Enclosure No. 1 a copy of a letter from the Ambassador to the Prime Minister of the Government of the United Kingdom of Libya confirming the deposit of four million dollars ($4,000,000) of economic assistance funds in a special account in the United States and requesting compliance with certain procedures in regard to that account.

The original of the Prime Minister's reply is transmitted as Enclosure No. 2 and a reproducible copy as Enclosure No. 3. The Prime Minister's letter covers the procedures mentioned in the Ambassador's letter and in addition requents that the funds be transferred to an account in the name of LARC. This transfer was not requested in the Ambassador's letter but had been suggested to the Minister of Finance's economic adviser (Mr. Pitt-Hardacre) by an officer of the Embassy. The Libyan Government has shown no disposition to quibble over procedural matters in connection with the economic assistance funds. There is so far no reason to believe that the Government has any intention of trying to divert the funds from economic development, or that it will not accept and utilize advice on carrying out such development. There are certain pet projects to which the Government attaches extreme importance and for which it would fight to the last ditch, but with one or two possible exceptions these are valid development projects.

The Executive Director of LARC has requested that in order to facilitate the scheduling of LARC projects the Embassy determine the intent of the responsible agency in Washington in regard to the time of deposit of future increments of the funds committed to LARC; i.e., whether four million dollars ($4,000,000) will be deposited in the LARC account on July first of each relevant year, or whether such deposit must await the passage of the pertinent appropriation bill by the U.S. Congress, which might be later than July 1.

REVIEWED BY J.M. Raji DATE May 6, 1982

David G. Nes
First Secretary of Embassy

Enclosures: (See page 2)

FKLundy/bg
REPORTER

CONFIDENTIAL

ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

773.5-MSP/4-1455
CONFIDENTIAL FILE

CONFIDENTIAL
(Classification)

DECLASSIFIED

Enclosures: (UNCLASSIFIED)

1 - Copy of letter from Ambassador Tappin to the Prime Minister of the Government of the United Kingdom of Libya, dated April 5, 1955.

2 - Original of letter from Prime Minister of the Government of the United Kingdom of Libya to Ambassador Tappin, dated April 12, 1955, with two copies of specimen signatures of Dr. Ali el Aneizi, Minister of Finance of the Government of the United Kingdom of Libya.

3 - Reproducible copy of Enclosure No. 2.

Copy to:

AmEmbassy, Benghazi

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UNCLASSIFIED
(Classification)

DECLASSIFIED

COPY

American Embassy,
Tripoli, April 5, 1955.

Excellency:

I have the honor to refer to the economic assistance agreement concluded between the Government of the United States of America and the Government of the United Kingdom of Libya on September 9, 1954. I take pleasure in informing Your Excellency that in partial discharge of the provisions in that agreement for initial assistance from the United States Government for the economic development of Libya, the sum of four million dollars ($4,000,000) was on March 25, 1955 deposited in an account held by the Secretary of the Treasury of the United States of America in the name of the Government of the United Kingdom of Libya.

In connection with this account, the Secretary of the Treasury wishes to be informed of the name and title of the officer of the Libyan Government to whom Your Excellency, as Prime Minister or Foreign Minister of the Government of the United Kingdom of Libya, desires to delegate authority to issue instructions on the custody and disposition of the funds deposited therein. I have been given to understand that this authority is to be delegated to Dr. Ali el Aneizi, Minister of Finance of the Government of the United Kingdom of Libya, in his capacity as Chairman of the Libyan-American Reconstruction Commission, and that such authority will be exercised in accordance with the enabling legislation and rules of procedure of the Libyan-American Reconstruction Commission. If this information is correct, the Secretary of the Treasury wishes to be furnished with authenticated specimens of Dr. Aneizi's signature.

I shall be pleased to convey Your Excellency's instructions to the Secretary of the Treasury.

Accept, Excellency, the renewed assurances of my highest consideration.

His Excellency
Mustafa ben Halim,
Prime Minister and Minister of Foreign Affairs
of the United Kingdom of Libya,
Tripoli.

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DECLASSIFIED

COPY

UNITED KINGDOM OF LIBYA

OFFICE OF THE PRIME MINISTER

12th April, 1955

Excellency,

I have the honour to refer to Your Excellency's letter of 5th April, 1955, in which Your Excellency informs me that in partial discharge of the provisions of the economic assistance agreement concluded between the Government of the United Kingdom of Libya and the Government of the United States of America, the sum of four million dollars ($4,000,000) was on March 25th, 1955, deposited in an account held by the Secretary of the Treasury of the United States of America, in the name of the Government of the United Kingdom of Libya.

I would be grateful if Your Excellency would now request that this amount be transferred to an account to be named the "Libyan/American Reconstruction Commission Account", to be held, until further notice, by the Secretary to the Treasury of the United States of America.

I confirm the delegation of authority to issue instructions on the custody and disposition of funds deposited in that account to Dr. Ali El Aneizi, Minister of Finance of the Government of the United Kingdom of Libya, in his capacity as Chairman of the Libyan/American Reconstruction Commission. I confirm also that such authority, vested in Dr. Aneizi, will be exercised in accordance with the enabling legislation and rules of procedure of the Libyan/American Reconstruction Commission.

I attach hereto three authenticated specimens of Dr. Aneizi's signature.

Accept, Excellency, the renewed assurances of my highest consideration.

(Signed) Ben Halim

(MUSTAPHA BEN HALIM)
PRIME MINISTER AND MINISTER OF
FOREIGN AFFAIRS OF THE GOVERNMENT
OF THE UNITED KINGDOM OF LIBYA

Encl:

cc: Minister of Finance.
cc: Auditor General.
cc: Executive Director, Libyan/American Reconstruction Commission.

The Honourable John L. Tappin,
Ambassador of the United States of
America in Libya,
Tripoli.

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UNITED KINGDOM OF LIBYA

OFFICE OF THE PRIME MINISTER

DECLASSIFIED

المملكة الليبية المتحدة

مكتب رئيس الوزراء

12th April, 1955.

Excellency,

I have the honour to refer to Your Excellency's letter of 5th April, 1955, in which Your Excellency informs me that in partial discharge of the provisions of the economic assistance agreement concluded between the Government of the United Kingdom of Libya and the Government of the United States of America, the sum of four million dollars ($ 4,000,000) was on March 25th, 1955, deposited in an account held by the Secretary of the Treasury of the United States of America, in the name of the Government of the United Kingdom of Libya.

I would be grateful if Your Excellency would now request that this amount be transferred to an account to be named the "Libyan/American Reconstruction Commission Account", to be held, until further notice, by the Secretary to the Treasury of the United States of America.

I confirm the delegation of authority to issue instructions on the custody and disposition of funds deposited in that account to Dr. Ali El Aneizi, Minister of Finance of the Government of the United Kingdom of Libya, in his capacity as Chairman of the Libyan/American Reconstruction Commission. I confirm also that such authority, vested in Dr. Aneizi, will be exercised in accordance with the enabling legislation and rules of procedure of the Libyan/American Reconstruction Commission.

/I attach ...

The Honourable John L. Tappin,
Ambassador of the United States of

UNITED KINGDOM OF LIBYA

OFFICE OF THE PRIME MINISTER

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المملكة الليبية المتحدة

مكتب رئيس الوزراء

Continued 2.

// I attach hereto three authenticated specimens of Dr. Aneizi's signature.

Accept, Excellency, the renewed assurances of my highest consideration.

(MUSTAPHA BEN HALIM)
PRIME MINISTER AND MINISTER OF
FOREIGN AFFAIRS OF THE GOVERNMENT
OF THE UNITED KINGDOM OF LIBYA

Encl:

cc: Minister of Finance.
cc: Auditor General.
cc: Executive Director, Libyan/American Reconstruction Commission.

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UNITED KINGDOM OF LIBYA

OFFICE OF THE PRIME MINISTER

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المملكة الليبية المتحدة

مكتب رئيس الوزراء

12th April, 1955.

I CERTIFY that the following are signatures of Dr. Ali El Aneizi, Minister of Finance, Government of the United Kingdom of Libya.

(MUSTAPHA BEN HALIM)
PRIME MINISTER AND MINISTER OF FOREIGN AFFAIRS OF THE GOVERNMENT OF THE UNITED KINGDOM OF LIBYA

_____ (Dr. Ali El Aneizi)

_____ (Dr. Ali El Aneizi)

_____ (Dr. Ali El Aneizi)

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